



**U.S. Department of Justice**

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Dec 15, 2006

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**EVENT: Guilty Plea**

**Defendant: James Thomas et al**

**TWO MICHIGAN RESIDENTS PLEAD GUILTY TO CRIMINAL  
COPYRIGHT INFRINGEMENT**

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Two Michigan men have pleaded guilty in related federal cases to selling counterfeit computer software over the Internet that was valued at over \$1,000,000, in violation of the criminal copyright infringement laws, United States Attorney Stephen J. Murphy announced today.

James Thomas, 38, of Belleville, Michigan entered a plea of guilty before United States District Judge Nancy G. Edmunds on December 13, 2006. Justin Sabo, 27, of Columbiaville, Michigan entered a plea of guilty before United States District Judge Paul V. Gadola on December 14, 2006.

According to documents filed in the cases, Thomas and Sabo both purchased counterfeited Rockwell Automation computer software through eBay, and made numerous counterfeit copies of it which they sold themselves.

Between August 26, 2003 and September 7, 2004, using two different user names,

Thomas sold these copies in more than 32 separate eBay auctions, receiving \$14,626.55. The actual retail value of this software was in excess of \$1,000,000.

Between January 25 and July 2, 2004, using three different user names, Sabo sold counterfeit copies of the same software in 93 separate eBay auctions, receiving \$17,160.84. The actual retail value of this software was in excess of \$1,000,000.

United States Attorney Stephen J. Murphy said, "The protection of intellectual property of U.S. companies is crucial if we are going to be able to compete in the new high-tech economy. The Department of Justice has made prosecution of intellectual property cases a high priority, and appropriately so. I commend the FBI and the Computer Crime and Intellectual Property Section of the Department of Justice, which handled this case."

Federal Bureau of Investigation agents identified Thomas and Sabo as suspects and executed search warrants at their residences in Belleville and Columbiaville on December 15, 2004, resulting in the seizure of numerous computers, CDs, and other evidence used to manufacture the counterfeit software and sell these items on eBay.

Thomas admitted to the investigators that he sold the counterfeit Rockwell Automation software because it was "easy money" and that he first became aware of software applications through his job with the Ford Motor Company.

Sabo admitted to the investigators that he knew it was illegal to sell this copyrighted software; that he had used three usernames to avoid suspicion; and that he had alerted other sellers of counterfeit Rockwell Automation software that law enforcement officers were attempting to make undercover purchases.

As part of their plea agreements with the government, Thomas and Sabo agreed to forfeit the computers and other equipment used in the offense. Thomas also agreed to make restitution to Rockwell Automation in an amount determined by the court, but no less than \$15,677.03. Sabo also agreed to make restitution to Rockwell Automation in an amount determined by the court, but no less than \$18,210.84

Judge Edmunds accepted Thomas' guilty plea; released him on unsecured bond; and scheduled sentencing for April 10, 2007. Judge Gadola accepted Sabo's guilty plea, and he was released on an unsecured bond and sentencing in scheduled for March 22, 2007. The maximum penalty for the offense is five years' imprisonment and a fine of not more than \$250,000.

Trial Attorney Matthew J. Bassiur of the Computer Crime and Intellectual Property Section, Criminal Division, U.S. Department of Justice and Assistant United States Attorney Sheldon Light, Chief, Economic Crime Unit, prosecuted this case for the government.